

HOUSE BILL 44

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1999 Regular Session  
9lr0052

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By: **Chairman, Economic Matters Committee (Departmental - Insurance Administration, Maryland)**

Introduced and read first time: January 15, 1999

Assigned to: Economic Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Insurance - Rate Making - Homeowners Premium - Geographic Distribution**  
3 **Data**

4 FOR the purpose of requiring certain insurers to file with the Insurance  
5 Commissioner certain data about the geographic distribution of homeowners  
6 premium; establishing a reporting date; and generally relating to data about the  
7 geographic distribution of homeowners premium.

8 BY repealing and reenacting, with amendments,  
9 Article - Insurance  
10 Section 11-321, 11-322(a), and 11-323  
11 Annotated Code of Maryland  
12 (1997 Volume and 1998 Supplement)

13 BY repealing and reenacting, without amendments,  
14 Article - Insurance  
15 Section 11-326  
16 Annotated Code of Maryland  
17 (1997 Volume and 1998 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
19 MARYLAND, That the Laws of Maryland read as follows:

20 **Article - Insurance**

21 11-321.

22 (a) In Part IV of this subtitle the following words have the meanings  
23 indicated.

24 (b) "Affiliate" has the meaning stated in § 7-101 of this article.

1 (C) "HOMEOWNERS PREMIUM" MEANS THE DIRECT WRITTEN PREMIUM  
2 DERIVED FROM THE SALE OF HOMEOWNERS INSURANCE POLICIES IN A CALENDAR  
3 YEAR.

4 [(c)] (D) "Major insurer" means an insurer or affiliate or subsidiary of that  
5 insurer that has written an amount of private passenger premium in the State that  
6 totals [.5%] .05% or more of the total premium of private passenger premium written  
7 in the State by all insurers, including the Maryland Automobile Insurance Fund.

8 [(d)] (E) "Private passenger premium" means the direct written premium  
9 derived from the sale of private passenger motor vehicle insurance policies in a  
10 calendar year.

11 [(e)] (F) "Subsidiary" has the meaning stated in § 7-101 of this article.

12 11-322.

13 (a) Part IV of this subtitle applies to each authorized insurer that writes:

14 (1) private passenger motor vehicle insurance in the State; OR

15 (2) HOMEOWNERS INSURANCE IN THE STATE.

16 11-323.

17 (a) On or before July 1 of each year, each insurer and the Maryland  
18 Automobile Insurance Fund shall file data about the geographic distribution of  
19 private passenger premium written by [it] THE INSURER AND THE MARYLAND  
20 AUTOMOBILE INSURANCE FUND in the State for the preceding calendar year.

21 (B) ON OR BEFORE OCTOBER 1 OF EACH YEAR, EACH INSURER SHALL FILE  
22 DATA ABOUT THE GEOGRAPHIC DISTRIBUTION OF HOMEOWNERS PREMIUM  
23 WRITTEN BY THE INSURER IN THE STATE FOR THE PRECEDING CALENDAR YEAR.

24 [(b)] (C) The data required under this section shall:

25 (1) be filed with the Commissioner in the form required by the  
26 Commissioner; and

27 (2) at a minimum, detail the amount of private passenger premium  
28 written by the insurer and the Maryland Automobile Insurance Fund AND THE  
29 AMOUNT OF HOMEOWNERS PREMIUM WRITTEN BY THE INSURER in the preceding  
30 calendar year and the number of policies represented by that premium:

31 (i) in the State as a whole; and

32 (ii) in Baltimore City.

33 [(c)] (D) The data shall be submitted by each rating territory or each zip code,  
34 or both.

1 [(d)] (E) Failure by the insurer or the Maryland Automobile Insurance Fund  
2 to submit the data required under this section on a timely basis is grounds for the  
3 imposition of the penalties provided in §§ 4-113 and 4-114 of this article.

4 11-326.

5 (a) (1) Notwithstanding any other provision of law, any data, documents, or  
6 other information filed with the Commissioner under Part IV of this subtitle about a  
7 particular insurer or that insurer's market share or plan:

8 (i) shall be considered confidential commercial information;

9 (ii) shall be kept confidential by the Commissioner; and

10 (iii) may not be made public or be subject to subpoena, other than by  
11 the Commissioner for the purpose of enforcement of Part IV of this subtitle by the  
12 Commissioner.

13 (2) The Commissioner:

14 (i) may release a list of the names of all insurers designated as  
15 major insurers; and

16 (ii) may not release the particular market share of a major insurer  
17 in Baltimore City unless authorized by the insurer.

18 (b) (1) On or before July 1, 1997, the Commissioner shall submit a report to  
19 the Governor and, subject to § 2-1246 of the State Government Article, the General  
20 Assembly about the availability and affordability of private passenger motor vehicle  
21 insurance in Baltimore City.

22 (2) The report shall provide information on:

23 (i) the number of insurers actively engaged in providing coverage  
24 in Baltimore City;

25 (ii) the market shares of insurers in the market in Baltimore City;

26 (iii) the changes in market shares of insurers in the market in  
27 Baltimore City; and

28 (iv) whether insurance is available from insurers other than the  
29 Maryland Automobile Insurance Fund.

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take  
31 effect October 1, 1999.